## § 222.64

- (3) A tax rate for general fund purposes of at least 95 percent of the average tax rate of comparable LEAs identified under §222.74 or all LEAs in the applicant's State:
- (c)(1) An enrollment of federally connected children described in section 8003(a)(1) equal to at least 30 percent of the total number of children in ADA in the LEA; and
- (2) A tax rate for general fund purposes of at least 125 percent of the average tax rate of comparable LEAs identified under §§ 222.39–40 or of all LEAs in the applicant's State; or
- (d) A total enrollment of at least 25,000 students, of which at least 50 percent are children described in section 8003(a)(1) and at least 6,000 of such children are children described in section 8003(a)(1)(A) and (B).

(Authority: 20 U.S.C. 7703(b)(2)(B))

## § 222.64 When is a local educational agency eligible as a new applicant for payment under section 8003(b)(2)(C)?

A new heavily impacted LEA must have—

- (a)(1)(i) Federally connected children equal to at least 50 percent of the total number of children in average daily attendance (ADA) in the LEA if children described in section 8003(a)(1)(F)-(G) are eligible to be counted for a section 8003(b)(1) payment; or
- (ii) Federally connected children equal to at least 40 percent of the total number of children in ADA if children described in section 8003(a)(1)(F)-(G) are not eligible to be counted for a section 8003(b)(1) payment; and
- (2)(i) If the LEA has a total ADA of more than 350 children,
- (A) A per pupil expenditure (PPE) that is less than the average of the State in which the LEA is located; and
- (B) A tax rate for general fund purposes equal to at least 95 percent of the average tax rate of comparable LEAs identified in §222.74 or of all LEAs in the applicant's State; or
- (ii) If the LEA has a total ADA of less than 350 children,
- (A) A PPE that is less than the average PPE of one or three generally comparable LEAs identified in §222.74(b); and

- (B) A tax rate equal to at least 95 percent of the average tax rate of one or three generally comparable LEAs identified in §222.74(b);
- (b) The same boundaries as those of a Federal military installation; or
- (c)(1) The same boundaries as island property held in trust by the Federal government;
  - (2) No taxing authority; and
- (3) Received a payment under section 8003(b)(1) for fiscal year 2001.

(Authority: 20 U.S.C. 7703(b)(2))

## § 222.65 What other requirements must a local educational agency meet to be eligible for financial assistance under section 8003(b)(2)?

Subject to §222.66, an LEA described in §222.63 or §222.64 is eligible for financial assistance under section 8003(b)(2) if the Secretary determines that the LEA meets the following requirements:

- (a) The LEA timely applies for assistance under section 8003(b)(2) and meets all of the other application and eligibility requirements of subparts A and C of these regulations.
- (b) Except for an LEA described in §222.63(a) or (d), or §222.64(b) or (c), the LEA meets the applicable tax rate requirement in accordance with the procedures and requirements of §§222.68 through 222.74.

 $(Authority \hbox{: } 20 \hbox{ U.S.C. } 7703(b)(2))$ 

## § 222.66 How does a local educational agency lose and resume eligibility under section 8003(b)(2)?

- (a) A continuing heavily impacted LEA that fails to meet the eligibility requirements in §222.63 in any fiscal year or a new heavily impacted LEA that received a section 8003(b)(2) payment but then fails to meet the eligibility requirements in §222.64 will still receive a heavily impacted payment in the first year of ineligibility, based on the number of children in ADA that would be counted for that application if the LEA were eligible.
- (b)(1) A continuing heavily impacted LEA may resume eligibility for a heavily impacted payment if it applies in the fiscal year preceding the year for which it seeks eligibility and it meets the eligibility requirements in §222.63 for both fiscal years.